The Honorable Michael K. Powell Chairman Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Dear Chairman Powell:

Press release

For immediate release:

Satellite television dealer  $\!\!\!/$  technician organization comments on pending m erger between DirecTV and Echostar.

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Washington State, July 24, 2002 - On April 16th, 2002 DBSinstall.com was es tablished. The members of DBSinstall.com are independent Direct Broadcast S atellite (DBS) dealers, installation contractors and employees of DBS relat ed companies.

The new organization set forth one of its goals, to provide a source for wh ich the concerns of DBS installation technicians and dealers could be heard .. To date, existing organizations are primarily comprised of DBS platform p roviders, manufactures, distributors and retailers. The recent move by Echo star to purchase DirecTV has created much debate within the DBS industry. The DBSinstall.com membership is also not united in a common position on this issue. About ninety percent are against the merger, five percent are unsure and five percent are for the merger. Even some of those who are for the merger are very cautious and have concerns.

Those in favor of the merger state their reasons as being primarily to allow the combined entity to maximize the use of satellite resources and therefore increase channel carrying capacity. This newly gained channel capacity would lead to the re-transmission of many local television stations that currently are not available to some home satellite dish subscribers. Another added benefit would be the ability for the new company to broadcast more High Definition Television (HDTV) to subscribers. This over all gain would allow satellite TV to become a better competitor to modern CATV systems. It is also believed that a bigger stronger satellite dish company would be able to provide high-speed internet access that is less expensive then todays satellite internet systems.

Other advantages of a merger would be the inability of consumers to switch from one platform to another, therefore reducing customer acquisition cost and increasing customer retention. A merger would also create a uniform vid eo platform.

The members that are opposed to a merger have stated many reasons for their concerns. The primary concern is the elimination of competition with-in th e DBS industry. The merger of the only two DBS providers would stifle product development and eliminate choice or options for consumers. Most affected will be rural consumers who do not have access to modern cable TV systems or even cable TV at all. These rural consumers will be subject to the DBS s

ervice provided by one company.

For the last several years Echostar has been increasing its own network of field installers. It is the feeling of many independent DBS installers that Dish Network Service Centers (DNSC) is what Echostar has envisioned for the future of America. Consumers who call DISH Network for sales are not referred to local dealers, they are sold the system directly and DNSC performs the installation. Consumers often have to wait weeks to get an appointment, experience multiple cancellations and often have a bad overall experience. DNSC installers do not provide custom work. They only offer basic installations, leaving the consumer to seek other satellite technicians to complete the job in the manner the customer needs or wants. Every satellite dealer can offer endless accounts of where DNSC has been unable to provide even the most basic customer service support and often make things worse for the customer calling it for help. We acknowledge that many of the issues with DBSC can be corrected, however we are unwilling to trust that Echostar will address these issues.

DirecTV has also created an in-house service department by contracted directly to install providers. These Home Service Providers (HSP) are well known to be some of the worst offenders in providing

Sincerely,

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